prescribed scale of issue. There is no proposal to alter this criteria at present.

Subsidy to sugar mills

330. SHRI VEDPRAKASH P. GOYAL: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the Central Government have decided to give Rs. 525 crores subsidy to ailing sugar mills in the country;

(b) if so, the details thereof;

(c) the number of ailing sugar mills which will be benefited by this subsidy;

(d) to what extent it will help to improve our GDP; and

(e) the details thereof, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) to (e) In pursuance to the Finance Minister's Budget Speech for 2005-06 wherein it was announced that the sugar factories that have been operational in 2002-2003 sugar season will be assisted to restructure, a Committee was set up in NABARD to prepare a package of assistance for the sugar industry. Consequently, Government of India has decided that all Cooperative Sugar Mills in the country which have term loans outstanding as on 31.3.2005, and which are commercially viable and have adequate operational surplus to repay the said term loans will be categorized as falling under two Categories, *i.e.* Category A and Category B. Accordingly, the term loans will be restructured/rescheduled to enable repayment within five years (for Category A) or within 15 years (for Category B). The rate of interest on the restructured loans will be reduced to 10% per annum, with effect from 1st April, 2005, irrespective of the original contractual rate. Government of India will provide interest subvention on the restructured loan, which is estimated at Rs. 525 crores. All the Cooperative Sugar Mills in the country, irrespective of the State in which they are located can avail of the above financial assistance as per the terms and conditions of the package. The package will financially strengthen the Cooperative Sugar Mills which is turn will improve their capacity

utilization, production of sugar, bagasse based power generation, production of ethanol etc. wherever applicable, which will duly contribute towards the GDP of the country.

Hanging over FCI operations to private companies

331. SHRIMATI BRINDA KARAT: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether there is any policy to hand over certain operations of FCI to private companies; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) and (b) There is presently no proposal to outsource any of the core activities of the Food Corporation of India (FCI) to the private sector. However, activities such as sweeping, cleaning, dusting and watching operations stand outsourced. In addition, the Civil Engineering, Maintenance works and Electrical Maintenance works of certain depots have also been outsourced. In States and areas such as J&K and the North East, engineering construction works are also being outsourced to other agencies, as the FCI does not have the required infrastructure for the same.

Amending Essential Commodities Act

332. SHRI V. HANUMANTHA RAO:
DR. T SUBBARAMI REDDY:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government are considering sweeping changes in the Essential Commodities Act (ECA), 1955 to bring it in consonance with the liberalized economic environment;

(b) if so, whether some of the changes proposed are restricting ECA to specific sectors like drugs, edible oils, petroleum products, seeds of food crops, wheat, paddy, rice, sugar and sugarcane;